

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1115 - SB 1040

March 30, 2023

SUMMARY OF BILL: Authorizes the Tennessee Higher Education Commission (THEC) to require the governing board of a public institution of higher education (institution) to terminate an existing on-campus or off-campus program upon an affirmative vote made at a properly convened THEC meeting. Requires THEC to provide written notice to the Education Committee of the Senate and the Education Administration Committee of the House of Representatives within 10 days of the THEC's action to terminate a program.

FISCAL IMPACT:

Other Fiscal Impact – Any fiscal impact is dependent upon future actions taken by the Tennessee Higher Education Commission and cannot be reasonably determined.

Assumptions:

- THEC can comply with the provisions of the legislation within existing resources.
- Authorizing THEC to require an institution to terminate a program could result in a loss of revenue to an institution from its programs or result in a loss of accreditation status along with a decrease in expenditures related to the program.
- According to the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), the accrediting body for public institutions of higher education in Tennessee, accreditation standards found in the SACSCOC manual section 4.2.f state that ... *no outside person, board, or religious or legislative body should be in a position to interfere with the governing board's ultimate authority to fulfill its responsibilities or to interfere in the operations of the institution.* Therefore, if THEC terminates a program overriding the governing board of an institution then such an institution could potentially lose accreditation status.
- It is unknown if THEC will take any action to terminate a program that will result in the loss of revenue or accreditation to an institution or decrease related expenditures; therefore, any impact cannot be reasonably determined and is dependent upon future actions taken by THEC.

HB 1115 - SB 1040

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/lm